

WELCOME

**2003 National Medicaid HIPAA &
MMIS Conference
Sunday, February 9, 2003**

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Intro. to HIPAA

Administrative

Simplification

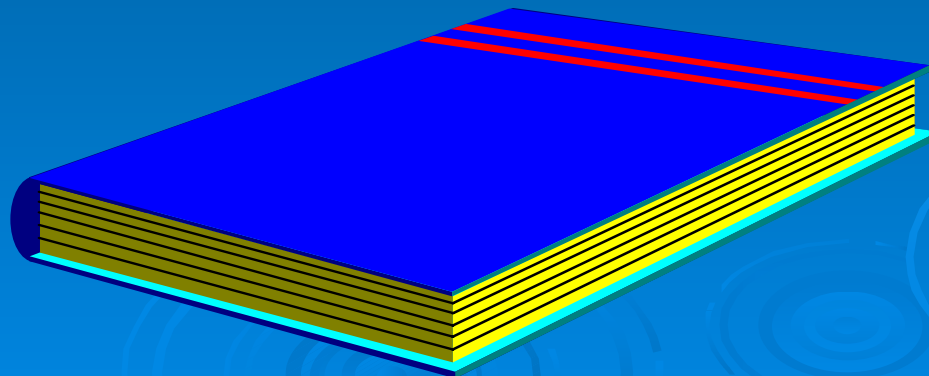
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The Laws:

HIPAA – Health Insurance
Portability and Protection Act

ASCA –Administrative
Simplification Act



“HIPAA”

The Health Insurance Portability and
Accountability Act of 1996

Signed August 21, 1996

Title II, *Preventing Health Care Fraud and Abuse*

Subtitle F: *Administrative Simplification*

Contains Sections

**Section 262:
Transactions,
Codes,
and
Identifiers**

**Section 264
Privacy**



Who created concept?

Industry initiated



What is the concept?

➤ e-Health

- Bringing the Health Care Industry into the e-Information age

Purpose of HIPAA Provisions

- Improve efficiency and effectiveness of health care system by standardizing the electronic exchange of administrative and financial data.
- Protect security and privacy of transmitted information.



It's a package deal!

Cost Estimates

- Total savings of EDI standards (from transactions rule) of \$29.9 billion over 10 years.
- Partially offset by estimated cost of privacy implementation of \$17.6 billion.
- Net savings of \$12.3 billion over 10 years.
- Industry estimates \$1 billion of potential savings lost each month implementation is delayed.
- ROI maximized by process engineering
 - **not just compliance for compliance sake**
 - **Medicaid savings**
 - TPL
 - **electronic attachments**

Benefits of HIPAA Standards

- Lower cost of software development and maintenance.
- Assure purchasers that software will work with all payers and plans.
- Lower cost of administrative transactions by eliminating time and expense of handling paper.
- Pave way for cost-effective, uniform, fair, and confidential health information practices.
- Pave way for standards which can do the same for electronic medical records systems.
- Pave way for higher quality health care.

Who's Covered?

➤ Covered Entities

- All health plans
- All health care clearinghouses
- Health care providers who transmit health information electronically in connection with standard transactions (providers not required to do electronic transactions)

➤ Penalties for non-compliance

What will be covered?

- Transactions & Code Sets
 - Kristine Weinberger, ACS
- The Privacy Rule
 - Christina Heide, Office of Civil Rights
- Relevant HIPAA Organizations & Contacts
 - Sheila Frank, CMS
 - Ruth Tucci-Kaufhold, Unisys